MULTIMEDIA UNIVERSITY

STUDENT ID NO

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# MULTIMEDIA UNIVERSITY

# FINAL EXAMINATION

**TRIMESTER 1, 2022/2023 (TERM ID 2215)**

## DBS5044 – PRINCIPLES OF MARKETING

(All sections/Groups)

16 FEBRUARY 2023
9.00 a.m. – 11.00 a.m.
(2 Hours)

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## INSTRUCTIONS TO STUDENT

1. This question paper consists of 8 pages with 2 sections.
2. Attempt **ALL** questions in Section A and B. The distribution of the marks for each question is given.
3. Please write all your answers for Section A and B in the Answer Sheet provided.

## SECTION A: Multiple Choice Questions (30 Marks)

1. Farm Fresh Sdn.Bhd has produced someone else's product by purchasing an entire company, patent and license as one of their product development strategies. According to the scenario, which of the following terms is **MOST** suitable?
   A. Proposition.
   B. Acquisition.
   C. Specialisation.
   D. Commercialization.

2. Sources of new product idea can be generated from both internal and external sources. Which of the following is an external source for ideas?
   A. Suppliers.
   B. Engineers.
   C. Salespeople.
   D. Manufacturing staff.

3. As a marketing manager in Ajinomoto Sdn. Bhd, Mr. Mustaraj invites a broad community of customers, employees, independent researchers, and members of the public into his new product innovation process. Which of the following has been practiced by Mr. Mustaraj?
   A. Outsourcing.
   B. Brainstorming.
   C. Idea screening.
   D. Crowdsourcing.

4. Concept development and testing is among the new product development process. What is concept testing?
   A. Testing of good idea for actual product.
   B. Testing of innovation for customer satisfaction.
   C. Testing new product with group of target customer.
   D. Testing new product with individually target customer.

Picture 1

5. Picture 1 above is a cordless vacuum that Mr. Selva interested to buy. After collecting information on the available brands, he decided to purchase with an amount of RM1,699.00. The amount he paid is refers to which of the following?
   A. Price.
   B. Costs.
   C. Value.
   D. Wages

**Continued ...**

6. Nestle Sdn. Bhd. is currently offering variety of consumer's product and deliver just the right combination of quality and gratifying service at a fair price. Which of the following is **MOST** appropriate in describing the scenario?
   A. Markup.
   B. Break-even.
   C. Good value.
   D. Target profit.

7. Which of the followings refer to everyday low pricing (EDLP)?
   A. Constant high price with few prices discount.
   B. Everyday low price with frequent promotion.
   C. Constant everyday low price with few prices discount.
   D. Monthly low price with few or no temporary price discount.

8. _____ occurs when a seller states price savings that are **NOT** actually available to consumers.
   A. Deceptive pricing
   B. Comparative pricing
   C. International pricing
   D. Difference skimming

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| Scientax Manufacturer is a firm that supply raw materials, components, and parts to create products or services. |

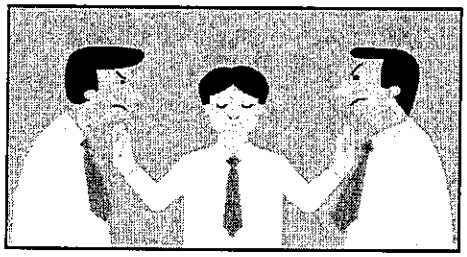
Statement 1

9. According to the Statement 1 above, which of the following best described Scientax Manufacturer?
   A. Retailer.
   B. Distributor.
   C. Upstream partner.
   D. Downstream partner.

10. A business that sets up two or more marketing channels to reach more customer segment is called_____.
   A. disintermediation system
   B. direct distribution system
   C. indirect intermediaries' system
   D. multichannel distribution system

11. The Art actively produces handy made Batik and give authorization to a limited number of dealers to distribute its product in their territories. Which of the following types of distribution is the **MOST** relevant?
   A. Tying agreement.
   B. Exclusive dealing.
   C. Exclusive distribution.
   D. Exclusive territorial agreement.

**Continued ...**



Picture 2

12. Picture 2 above illustrated a problem that might happen among channel members. What do you understand about channel conflict?
    A. Disagreement over goals, roles, and rewards.
    B. Disagreement over competitors and strategy.
    C. Mutual contract over profits, loss, and royalty.
    D. Mutual agreement over goals, roles, and strategy.

13. Any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor is called _____, which includes broadcast, mobile, print, and online forms.
    A. advertising
    B. sales promotion
    C. personal selling
    D. direct and digital marketing

Picture 3

14. Picture 3 above shows a company conducting Christmas sale by giving out discounts up to 50% and coupons to their members. Which of the short-term incentives used by the company?
    A. Public relations.
    B. Personal selling.
    C. Sales promotion.
    D. Direct and digital marketing.

15. Most companies are adopting the concept of _____, which carefully combines and coordinates the company's many communication channels to deliver a clear, consistent, and compelling message about the organization and its brands.
    A. buzz marketing
    B. vertical diversification
    C. integrated marketing communications
    D. non-personal communication channels

**Continued ...**

Picture 4

16. Picture 4 above is an example of an effective marketing communication. This message directed to an audience's sense of what is right and wrong. In your opinion, which of the following is the **MOST** suitable?
    A. Moral appeal.
    B. Rational appeal
    C. Sensitive appeal.
    D. Emotional appeal.

17. What is the first step in creating effective advertising content?
    A. Plan a message strategy.
    B. Create advertising content.
    C. Identify consumer benefits.
    D. Select company's positioning.

18. Which of the following message execution styles focuses on the company's skill and knowledge in making the product?
    A. Slice of life.
    B. Endorsement.
    C. Scientific evidence.
    D. Technical expertise.

19. The measure percentage of people in the target market who are exposed to the advertising campaign refers to _____.
    A. reach
    B. impact
    C. frequency
    D. engagement

Picture 5

20. Picture 5 above is associated to a promotion mix tool that consist of the news, stories, feature, sponsorship, and event. This form of promotional mix tool is very much trusted by consumers. Which of the following is the **MOST** suitable?
    A. Advertising.
    B. Public relation.
    C. Sales promotion.
    D. Direct marketing.

**Continued ...**

21. Which of the following is **NOT** the major steps in sales force management?
    A. Training salespeople.
    B. Motivating salespeople.
    C. Recruiting and selecting salespeople.
    D. Designing salesforce strategy and structure.

22. Which of the following is **NOT** an element in the compensating salespeople?
    A. Expenses.
    B. Fixed amount.
    C. Staff discount.
    D. Variable amount.

> Mrs. Irham Fatihah is among the best salespeople in her company. She makes many phone calls, writes email and letter, and spends her time for personal visits to learn about her prospects, including need, who is involved in the buying and characteristics of buyer.

Statement 2

23. Referring to the Statement 2 above, which step of personal selling is an activity performed by Mrs. Irham Fatihah?
    A. Follow-up.
    B. Pre-approach.
    C. Prospect and qualifying.
    D. Presentation and demonstration.

24. What is the process that refers to the salespeople recognise signals from the buyer including physical action, comment, and question from customers?
    A. Closing.
    B. Open-up.
    C. Follow-up.
    D. Handling objection.

25. Delivering more value and satisfaction to target consumers than competitors refer to _____.
    A. competitive edge
    B. competitive analysis
    C. competitive strategies
    D. competitive advantage

26. Referring to the Michael Porter's competitive positioning strategies, which of the following is related to a losing strategy?
    A. Focus.
    B. Differentiation.
    C. Cost leadership.
    D. Middle of the road.

**Continued ...**

"We are currently serving the best burger in town and well recognised as eco-friendly product among the consumers. In spite of this, we only compete with our close competitors rather than distant competitors"

*-Manager of McDonald's-*

Statement 3

27. According to the Statement 7 above, which of the following is the company's close competitor?
    A. Taco Bell.
    B. Pizza Hut.
    C. Burger King.
    D. Kentucky Fried Chicken (KFC).

28. Which is **NOT** true regarding the suggestion given by Michael Treacy and Fred Wiersema to gain leadership positions?
    A. Product leadership.
    B. Customer intimacy.
    C. Excellence operation.
    D. Outstanding branding.

Figure 1

29. Figure 1 above shows the principles of sustainable marketing. What kind of principle should be filled in the "**X**" box?
    A. Marketing research.
    B. Innovative marketing.
    C. Sustainable marketing.
    D. Marketing development.

30. In general, the seller has the right to introduce any product, change the product price and to use any message to promote their product. If you a consumer, which of the following is **NOT** consider as your right?
    A. The right to expect the product to be safe.
    B. The right not to buy a product that is offered for sale.
    C. The right to expect the product to perform as claimed.
    D. The right to received discount and engage in the promotional activity.

(Total: 30 marks)

**Continued ...**

## SECTION B: Structured Questions (70 Marks)

## QUESTION 1

(a) Illustrate in graphical form the **FIVE (5)** stages of Product Lifecycle (PLC). (5 marks)

(b) Acacia is a classic honey flavour which already in the market for over than 25 years. Unfortunately, the company's sales and profit begin to decrease. According to the scenario, list the **FIVE (5)** strategies that a firm can use in the last stage of Product Lifecycle (PLC). (5 marks)

(c) There are three major pricing strategies that can be used by a company in setting their product price. Provide the **FOUR (4)** steps involved in cost-based pricing. (4 marks)

(d) It is too difficult for Adabi Sdn. Bhd to determine their product's price due to differences in consumer segments and situations. Briefly describe any **THREE (3)** price adjustment strategies that can be applied by Adabi Sdn. Bhd. (6 marks)

(Total: 20 marks)

## QUESTION 2

(a) Define marketing channel (distribution channel). (2 marks)

Picture 6

(b) Picture 6 above indicates the channel members who are connected by several types of flows in delivering the best value to the final consumers. State the **FIVE (5)** types of channel flows. (5 marks)

(c) Manufacturers are struggling to decide the best channel design to be implemented. One of the criteria to be decided is to analyse the consumer's needs. Provide **FOUR (4)** criteria in analysing consumer's needs. (4 marks)

(d) Marketing communication is an effective way of conveying a company's message to its customers about its brand, products, and services. Illustrate the **NINE (9)** elements of communication process in a graphical form. (9 marks)

(Total: 20 Marks)

**Continued ...**

## QUESTION 3

> Advertising is the best way to communicate to the customers. Advertising helps informs the customers about the brands available in the market and the variety of products useful to them. Advertising is for everybody including kids, young and old. It is done using a specific communication, various media types, with different techniques and methods most suited.

Statement 4

(a) According to the Statement 4 above, state **THREE (3)** advertising objectives that can be communicated to a specific target audience. (3 marks)

(b) Advertising message can be executed with different style to capture the target market's attention and interest. Briefly explain the following message execution style.

i. Fantasy. (2 marks)
ii. Musical show. (2 marks)
iii. Testimonial evidence. (2 marks)

(c) Sales promotion is designed to be used as a short-term tactic to boost sales and rarely suitable as a method of building long-term customer loyalty. Briefly explain any **THREE (3)** major promotion tools that you aimed at customers. (6 marks)

(Total: 15 marks)

## QUESTION 4

(a) Companies will always analyse their competitors and develop successful strategies for building and maintaining profitable customer relationships. Provide the **THREE (3)** steps in analysing the competitors in sequence. (3 marks)

> An industry often comprises of competitors which results in competition among the businesses in winning competitive advantages. Some companies benefit from its competitors while some others compete among themselves and may want to avoid or try to "destroy the enemy".

Statement 5

(b) According to the Statement 5 above, differentiate between good and bad competitors. (4 marks)

(c) Sustaining the global environments is under entire society responsibility. Briefly explain the **FOUR (4)** actions on how to play our roles to promote sustainability marketing? (8 marks)

(Total: 15 marks)

**End of Paper**